

Chapter X

CDBG CLOSE-OUT

Introduction

24 CFR 85.50 addresses the timing of grant close-outs as follows: **"Within 90 days after the date of expiration or termination of the grant, the grantee must submit all financial, performance, and other reports required as a condition of the grant."** DED has interpreted the time period to include the requirement of the grant being closed out, with the possible exception of the audit, within 90 days of completion of project activities. Consideration will be given to the timing at the close-out monitoring visit by CDBG staff.

The close-out process encompasses a series of activities to verify that CDBG funds have been properly spent and that the city or county has completed the elements of its program in a timely and acceptable manner. The timeliness and content of information presented at close-out is considered by DED to determine future CDBG applications. It is very important that recipients pay careful attention to close-out procedures as a final step in the CDBG management process. The grantee must retain all records for a period of five years from date the State executes the Certificate of Completion.

There are five major tasks involved in closing out a program:

1. Resolution of all monitoring findings;
2. Completion of close-out public hearing and submission of the hearing minutes and affidavit of publication;
3. Submission of close-out report (one original copy);
4. Submission of Certificate of Completion (three originally signed copies); and
5. Completion and submission of the final audit.

The close-out process should begin when the following criteria have been met or will be met shortly.

1. All costs to be paid with program funds have been paid, including any unsettled third-party claims, with the exception of close-out costs, such as the cost of the final audit and the final 10% administration costs. (See the Financial Management Chapter.)
2. The recipient has fulfilled all of its responsibilities under the Funding Agreement. This includes injection of all local cash and in-kind services, other State and/or Federal funding, all private investment, and job creation/retention (in the case of economic development projects). Delays in completing close-out can result in the denial of future requests for CDBG funding.

Types of Close-outs

There are two types of close-outs which can occur at project completion.

1. When all conditions of the grant have been met and all five tasks mentioned above are received and approved, the close-out can be finalized. This is the **regular** close-out procedure.
2. When the conditions of the grant have been met and all documentation has been received and approved except for the remaining audit, the grant can be **administratively** closed, **if the grantee is paying for the audit. If CDBG is paying for audit costs, the grant must remain open until audit invoices are paid, and the audit has been received and approved by DED.**

Administrative close-out is noted on the Certificate of Completion, and any disallowed costs by the audit shall be remitted to DED. Once the audit is submitted to the Federal Audit Clearinghouse and approved by CDBG, the grant is considered finalized.

Close-out Report Forms

The close-out report includes the following forms.

1. **State CDBG Close-out Report Cover Sheet:** This form must be signed by the Mayor or Presiding County Commissioner. This form also requests that all written citizen comments/complaints received during the grant, plus the grantee's responses, be attached to the report.
2. **Form 2: Income Data for Program Beneficiaries:** This form is used to report LMI data for all beneficiaries (direct beneficiaries, direct beneficiary applicants, and indirect beneficiaries). **Direct Beneficiaries** are defined as those for which an application or personal income verification must be submitted (housing rehabilitation, new sewer/water hook-ups, or jobs). (See ED/1 below.) **Direct Beneficiary Applicants** are those who applied for housing rehabilitation, sewer/water hookup, or jobs. This includes **all** applicants, both successful and unsuccessful. **Indirect Beneficiaries** are those served by the activity although an application is not required (replacement of sewer/water lines where no new hook-ups occur, streets, clearance, drainage, etc.)

All beneficiary (both income and racial/ethnic) data is reported by CDBG activity (sewer treatment, bridges, housing rehabilitation, acquisition, etc). Do not report beneficiaries for administration or legal activities. The beneficiaries of engineering design, inspection, and architectural fees are the same as the beneficiaries for the construction activity and do not have to be reported separately.

Please notice that three levels of income data must be reported: Low/Mod (80% of county median), Low (50%), and Very Low (30%). These totals are **cumulative**: Low/Mod includes all beneficiaries at or below 80% of county median (including Low and Very Low), and Low includes all those below 50% (including Very Low).

3. **Form 3: Population Group Data for Direct Beneficiaries:** This form is used to report the racial breakdown of direct beneficiaries by ethnic designation (total and Hispanic). (See ED/1 below.)
4. **Form 4: Population Group Data for Direct Beneficiary Applicants:** This form used is to report the racial breakdown of direct beneficiary applicants by ethnic designation (total and Hispanic). (See ED/1 below.)
5. **Form 5: Population Group Data for Indirect Beneficiaries:** This form is used to report the racial breakdown of indirect beneficiaries by ethnic designation (total and Hispanic).

6. **Form 6: Distribution of Amount of Project Benefits Among Population Categories:** These are dollar amounts according to percentages on Forms 2 and 3 for each activity. For economic development projects, the percentages pertain to Form ED/1 only.
7. **Form 7: Project Accomplishments:** This form lists, by line item on the Funding Approval, the quantitative results of the project. Professional services should not be included.
8. **Form ED/1:** This form is required on close-outs for all programs under the economic development category. It replaces Forms 2, 3, and 4, Direct Beneficiaries (and applicants), discussed above.

Any changes in beneficiaries on the close-out report from the applicant should be verifiable through file documentation. CDBG requires that only one copy of the close-out report be submitted.

Certificates of Completion

After all program costs have been paid, the grantee shall submit **three originally signed Certificates of Completion**, if applicable. The Certificate should reflect actual expenditures in each line item activity.

Besides final statement of costs, the Certificate provides for computation of any amount to be deobligated and/or returned to DED, actual local contribution compared to application pledged amount (any discrepancy between these two must be explained fully), disposition of program income, and certification by grantee of responsibility for completion.

Grantee should forward to DED a check in the amount of cash on hand remaining at project close-out, if applicable. An amendment must be executed by the grantee for all funds to be deobligated at close-out. This amendment will become part of the close-out process.

Disclosure Report

All grantees are required to submit a Disclosure Report as part of their application. The purpose of this report is to disclose all persons or parties that have a pecuniary interest in the project. Therefore, as part of the close-out process, each grantee is required to submit an updated Disclosure Report identifying all such parties, including changes that may have occurred during the project.

Close-out Monitoring Requirements

At project completion, the CDBG field representative for the area involved will contact the grant recipient to determine a date for the close-out monitoring visit. All monitoring findings must be resolved before the close-out can be further processed.

Close-out Public Hearing

A public hearing on grant performance is required after a minimum of 80% project completion. A copy of the published notice and minutes of the hearing must be submitted to DED as part of close-out. (See the Citizens Participation Chapter.)

The Audit

When a recipient accepts funds under the CDBG program, it assumes the responsibility of carrying out the requirement that the CDBG program be audited. **The audit must be performed on an annual basis, in compliance with the Single Audit Act, discussed herein, and forwarded to the Federal Audit Clearinghouse** within nine months of the end of the recipient's fiscal year. This applies for every year the grant is open and to every grant until all funds are audited. CDBG will review audits on the Clearinghouse website; it is not necessary to send a copy of the audit to CDBG unless the audit contains findings regarding the CDBG program. In that case, we will request a copy from the grantee.

Audits are not required if the local entity has expended less than \$500,000 in total Federal dollars in its fiscal year (\$300,000 for fiscal years ending December 31, 2003 or earlier) (see discussion on Single Audit Act). CDBG funds can pay for the cost of auditing CDBG funds only. Since it is impossible to determine audit costs at the time of grant award, or even whether an audit will be required, grant increases can be approved each year once proper procurement has determined amount needed.

Procurement of audit services is subject to the provisions of 24 CFR 85.36 if CDBG funds are used for payment of audits. In this regard, an auditor ordinarily should be selected through competitive negotiation. This reduces the cost of services while allowing all qualified accountants to compete.

One of the best criteria for selecting an auditor is the degree to which the auditor is familiar with municipal accounting and CDBG/DED regulations with specific reference to performing professional, complete, and timely audits within budget.

Reference materials for required audits are: OMB Circular A-87, "Cost Principles for State and Local Governments"; 24CFR 85 as modified by 24 CFR 570, Subpart J, "Grant Administration"; and OMB Circular A-133, "Audits of State and Local Governments."

Single Audit Act of 1984, as amended 1996

One of the Single Audit Act's stated purposes is "to establish uniform requirements for audits of Federal assistance provided to state and local governments." The Amendment is **effective for fiscal years beginning after June 30, 1996**, and sets thresholds for having a single audit:

1. The Act requires annual audits of entire entity for state and local governments that expend \$500,000 or more of **Federal financial assistance** annually, for all fiscal years ending **after** December 31, 2003. For grantee fiscal years ending December 31, 2003 or earlier, the older threshold of \$300,000 of total Federal expenditures will apply.
2. If the total Federal assistance comes from one program only, then a program audit can be performed. If the assistance comes from more than one Federal program, a Single Audit must be performed.
3. If the amount is less than \$500,000 (or \$300,000, depending on the fiscal year), the entity is exempt from Federally imposed audit requirements, but must keep the necessary records that DED must review for that fiscal year. Contact DED for details.

The definition of **Federal financial assistance** goes beyond grants to include contracts, loans, loan guarantees, property, cooperative agreements, interest subsidies, and insurance. Subrecipients and their auditors should be aware that the Act does not prohibit entities that receive Federal funds indirectly (through a state agency) from having additional audit requirements imposed on them by the agency that provides the funding.

The audits are to be conducted by an independent auditor in accordance with the auditing standards issued by the General Accounting Office of financial and compliance audits.

The audit shall determine and report that:

1. The financial statements are presented fairly in accordance with GAAP, and the entity has complied with laws and regulations that may have a material effect on the financial statements.
2. The entity has internal control systems to provide reasonable assurance that it is managing Federal financial assistance in compliance with applicable laws and regulations.

3. The entity has complied with laws and regulations that may have a material effect upon each major Federal assistance program. In complying with this provision, the auditor shall select and test a representative number of transactions from each major program.

The Act specifically notes that many of the determinations required in a single audit are not guided by hard and fast rules. The Act provides that "the number of transactions selected and tested" for the purpose described above, "the selection and testing of such transactions, and the determinations required" for those purposes "shall be based on the professional judgement of the independent auditor."

The Act includes a definition of the "internal controls" which appears to go beyond strictly accounting controls. In the Act, internal controls mean "the plan of organization and methods and procedures adopted by management to ensure that:

1. Resource use is consistent with laws, regulations, and policies;
2. Resources are safeguarded against waste, loss, and misuse; and
3. Reliable data are obtained, maintained, and fairly disclosed in reports."

Refer to OMB Circular A-133 for more detail regarding this Act.

A copy of all single audits performed under this Act must be submitted to a central clearinghouse, as established by the Office of Management and Budget.

This address is: Federal Audit Clearinghouse
 1201 East 10th Street
 Jeffersonville, IN 47132
 <http://harvester.census.gov/sac/>

If additional information is desired regarding this central clearinghouse requirement, the city/county should call (301) 763-1551.

STATE CDBG CLOSE-OUT REPORT
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

1. Grantee: _____ 2. Project Number: _____
3. Address of Grantee: _____
4. Persons Completing this Report: _____
5. Number of citizen's written comments during grant period: _____

If applicable, attach: **(a)** copy of each written citizen comment on the CDBG project performance which was received during the grant period; **(b)** the grantee's assessment of the comment; and **(c)** a description of any action taken or to be taken in response to the comment, as required by Section 104(d) of the Housing and Community Development Act of 1974, as amended, and by 24 CFR 570.

6. The grantee's authorized official representative certifies that:
- a. The data in this Report is true and correct as of the date noted below.
 - b. The records described in 24 CFR Part 570 are being maintained and will be made available upon request.
 - c. Federal assistance made available under the CDBG program is not being utilized to substantially reduce the amount of local financial support for community development activities below the level of such support prior to the start of the CDBG project being reported here.

7. Typed Name of Authorized Representative: _____ Typed Title of Authorized Representative: _____

8. Signature of Authorized Representative: _____ Date: _____

FORM 2: INCOME DATA FOR PROGRAM BENEFICIARIES

This form provides information on the low- and moderate-income, low-income, and very low-income project beneficiaries. Use the applicable section for this project. Do not report professional services. These totals are **cumulative**: Low/Mod includes all beneficiaries at or below 80% of county median (including Low and Very Low), and Low includes all those below 50% (including Very Low).

Grantee: _____

Project Number: _____

DIRECT BENEFICIARIES:

Activity #:	Activity Name:	Total Number of Direct Beneficiaries:	Please list the number and percentage of direct beneficiaries who are:						
			Low/Mod Income (80%)		Low Income (50%)		Very Low Income (30%)		
			#	%	#	%	#	%	

DIRECT BENEFICIARY APPLICANTS:

Activity #:	Activity Name:	Total Number of Direct Beneficiary Applicants:	Please list the number and percentage of direct beneficiary applicants who are:						
			Low/Mod Income (80%)		Low Income (50%)		Very Low Income (30%)		
			#	%	#	%	#	%	

INDIRECT BENEFICIARIES:

Activity #:	Activity Name:	Total Number of Indirect Beneficiaries:	Please list the number and percentage of indirect beneficiaries who are:						
			Low/Mod Income (80%)		Low Income (50%)		Very Low Income (30%)		
			#	%	#	%	#	%	

FORM 3: POPULATION GROUP DATA FOR DIRECT BENEFICIARIES

This form provides information on the number of persons directly benefiting and the distribution of beneficiaries among various population groups. Use one section per CDBG activity to be reported. The total for Direct Beneficiaries will include all direct beneficiaries, including those of Hispanic ethnicity. The total for Hispanic Direct Beneficiaries will include only those direct beneficiaries of Hispanic ethnicity. If reporting on more than two activities, use additional copies.

Grantee: _____

Project Number: _____

Activity Number:		
Activity Name:		
	Total Direct Beneficiaries	Hispanic Direct Beneficiaries
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
TOTAL		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

Activity Number:		
Activity Name:		
	Total Direct Beneficiaries	Hispanic Direct Beneficiaries
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
TOTAL		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

FORM 4: POPULATION GROUP DATA FOR DIRECT BENEFICIARY APPLICANTS

This form provides information on the number of persons who applied for CDBG Direct Benefit, and the distribution of those applicants among various population groups. Use one section per CDBG activity to be reported. The total for Direct Beneficiary applicants will include **all** direct beneficiary applicants, including those of Hispanic ethnicity. The total for Hispanic Direct Beneficiary applicants will include only those direct beneficiary applicants of Hispanic ethnicity. If reporting on more than two activities, use additional copies.

Grantee: _____

Project Number: _____

Activity Number:		
Activity Name:		
	Total Direct Applicants	Hispanic Direct Applicants
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
TOTAL		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

Activity Number:		
Activity Name:		
	Total Direct Applicants	Hispanic Direct Applicants
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
TOTAL		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

FORM 5: POPULATION GROUP DATA FOR INDIRECT BENEFICIARIES

This form provides information on the number of persons indirectly benefiting and the distribution of beneficiaries among various population groups. Use one section per CDBG activity to be reported. The total for Indirect Beneficiaries will include all indirect beneficiaries, including those of Hispanic ethnicity. The total for Hispanic Indirect Beneficiaries will include only those indirect beneficiaries of Hispanic ethnicity. If reporting on more than two activities, use additional copies.

Grantee: _____ Project Number: _____

Activity Number:		
Activity Name:		
	Total Indirect Beneficiaries	Hispanic Indirect Beneficiaries
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
TOTAL		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

Activity Number:		
Activity Name:		
	Total Indirect Beneficiaries	Hispanic Indirect Beneficiaries
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
TOTAL		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

FORM 6: DISTRIBUTION OF FUNDING AMOUNTS AMONG POPULATION CATEGORIES

This form provides data on the distribution of the dollar amounts of project benefits among population categories. If the project includes direct beneficiaries, this form shall reflect Form 2. For economic development projects, this form will reflect ED/1 and not the indirect beneficiaries of the project.

1. Grantee: _____ 2. Project Number: _____

[illegible]

FORM 7: PROJECT ACCOMPLISHMENTS

In quantitative terms, state the accomplishments achieved by activity line items for this project (e.g., number of houses rehabilitated, number of structures cleared, number of linear feet of water/sewer line installed, number of blocks of streets paved, etc.). If different from original application/funding approval, state reasons below.

1. Grantee: _____ 2. Project Number: _____

3. Activity Name	4. Activity Number	5. Project Accomplishments

Changes in the original project scope and reasons:

FORM ED/1: ECONOMIC DEVELOPMENT CLOSE-OUT

Grantee: _____ Project No.: _____

Award Date: _____ Grant/Loan Amount: _____

1. Using information from the Funding Approval/Grant Agreement, provide the following data:

A. Company(ies) Involved:

Name	Jobs to be Created/Retained	Existing Employees (at Start of Project)
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Private Investment Release Date: _____

C. Pledged private investment: _____

D. Grantee cash match: _____

E. Grantee in-kind match: _____

2. Status of project to date:

A. Number of pledged jobs actually created/retained: _____

B. If pledged job creation/retention goals have not been reached, explain why not.

C. Breakdown of jobs and applicants:

Name	Present Employment	New/Retained Jobs	Number Low/Mod Income	Number Low Income	Number Very Low Income
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

	Jobs		Applicants	
	Total Direct Beneficiaries	Hispanic Direct Beneficiaries	Total Direct Beneficiaries	Hispanic Direct Beneficiaries
White:				
Black/African American:				
Asian:				
American Indian/Alaskan Native:				
Native Hawaiian/Other Pacific Islander:				
American Indian/Alaskan Native & White:				
Asian & White:				
Black/African American & White:				
Am. Indian/Alaskan Native & Black/African Am.:				
Asian & Native Hawaiian/Other Pacific Islander:				
All Others:				
TOTAL				
Female Head of Household:				
Handicapped (Disabled):				
Elderly:				

D. Amount of private investment documented: _____

E. Amount of grantee cash match documented: _____

F. Amount of grantee in-kind match documented: _____

3. Program Income (Loan Only)

A. Terms of loan: _____ / _____ / _____
no. of years interest rate no. of installments

B. Payable: _____ / First Installment Due: _____
monthly, semi-annually, annually date

C. Option exercised by grantee regarding program income at time of funding (check one):

- ____ 1) Return all program income to State
____ 2) Return principal to State; retain interest
____ 3) Retain all program income

D. Repayments made to date: _____ + _____ = _____
principal interest total

E. Amount on hand (not spent): _____

F. Name of contact person regarding program income:

Name: _____

Agency: _____

Telephone Number: _____

Name of Grantee's Chief Elected Official

Signature of Grantee's Chief Elected
Official

Date

Name of Company's Chief Executive
Officer

Signature of Company's Chief Executive
Officer

Date

INSTRUCTIONS FOR COMPLETING CERTIFICATE OF COMPLETION

Section A

Enter recipient name and address as shown on the Small Cities Close-out Report Cover Sheet

Section B

Enter the project number assigned on the Funding Approval.

Section C

Final Statement of Program Costs: in Section C, complete columns (a) through (d) as follows:

Column (a) Program Activities: Use line C1 through C15 to list the program activities for which the project funds were budgeted. The program activities should reflect those activities documented in the Funding Approval and/or any executed amendments thereto. **(Activity numbers should be included for each item.)**

Column (b) Program Cost Paid: For each of the program activities listed in column (a), enter the amount of State funds that have been paid. The amount recorded in column (b) should pertain to State funds only. Use line C16 to record the total of paid costs, line C17 to record program income that will be applied to paid costs, and line C18 to record the difference between lines C16 and C17.

Column (c) Program Costs Unpaid: For each of the program activities listed in column (a), enter the amount of State funds that are unpaid. The amounts recorded in column (c) should pertain to State funds only. Use line C16 to record the total of unpaid costs, line C17 to record program income that will be applied to unpaid costs, and line C18 to record the difference between lines C16 and C17.

Column (d) Total (column b & c): Use column (d) to document the total program costs (paid and unpaid) for each contract program activity. Total program cost (line C16), program income applied to the program costs (line C17), and the grant amount applied to program should agree with audited amounts, if any.

Column (e) For State Use Only

Section D

Status of Funds: Complete only column (b) of Section D.

Line D1: Same amount as Section C, column (b), line C18.

Line D2: Same amount as Section C, column (c), line C18.

Line D3: Same amount as Section C, column (d), line C18.

Line D4: Total grant award per Funding Approval.

Line D5: Unused grant amount to be cancelled, line D4 minus D3.

Line D6: Community Development Block Grant funds received to date.

Line D7: Balance of grant funds, line D3 minus D6. If line D6 exceeds D3, then line D7 should be a negative amount. If negative amount, it must be immediately returned to the State.

Section E

Certification of Recipient: Type name and title of the recipient's authorized official in the space provided. The grantee's authorized official must sign and date the document in the space provided.

Section F

Local Contribution: State the local match dollar amount pledged (as indicated on the grant application and/or grant agreement) and the **actual** local match documented.

Section G

Program Income Generated: Total program income received during the life of the project should be documented on the space provided. If program income was generated, the source and disposition should be clearly documented in essay format. If there is not program income, indicate with a zero in the appropriate space. Program income should agree with the amount documented in Section C, column (d), line C17.

Section H

Unpaid Costs: Describe in detail, dollar amounts, dates amounts are to be paid, and persons/companies owed. Same as Section C, column (c), line C18 and Section D, column (b), line D2.

Section I

Preparer's name, address, and telephone. (Self explanatory.)

Section J

Basis of Close-out: To be completed by State.

Section K

State Execution: To be completed by State.

CERTIFICATE OF COMPLETION

A. Name of Recipient:	B. Project Number:	
Address (City, State, Zip):		

C. Final Statement of Program Costs:

TO BE COMPLETED BY GRANTEE				FOR STATE USE ONLY
Program Activities (Taken from Funding Approval/ Grant Agreement) (a)	Program Costs Paid (b)	Program Costs Unpaid (c)	Total (Column b + c) (d)	Approved Costs (e)
C1 Administration				
C2 Audit				
C3				
C4				
C5				
C6				
C7				
C8				
C9 Total Program Cost (lines C1 – C8)				
C10 Less: Prgm Income applied to program costs				
C11 Equals: Grant Amt applied to program costs				

D. Status of Funds:

Description (a)	To Be completed by Grantee	FOR STATE USE ONLY
	Amount (b)	Approved Costs (c)
D1 Grant Award Applied to Program Costs (from line C18, column (b))		
D2 Unpaid Program Costs (from line C18, column (c))		
D3 Subtotal (from line C18, column (d))		
D4 Award per Funding Approval/Grant Agreement		
D5 Unused Grant to be CANCELLED (line D4 minus D3)		
D6 Grant Funds Received to Date		
D7 Balance of Grant Payable (line D3 minus D6)*		

*If line D6 exceeds line D3, enter the amount of excess on line D7 as a **negative** number. This amount shall be repaid immediately, by check, to the state.

E. Certification of Grantee:

It is hereby certified that all activities undertaken by the Grantee with funds provided under the grant agreement in the heading above, have, to the best of my knowledge, been carried out in accordance with the grant agreement; that the proper provision has been made by the Grantee for the payment of all unpaid costs and unsettled third-party claims identified above; that the State of Missouri is under no obligation to make any further payment to the Grantee under the grant agreement in excess of the amount identified on line D7 hereof, and that every statement and amount set forth in this document is, to the best of my knowledge, true and correct as of this date.

Date	Typed Name and Title	Signature of Authorized Official
F. Local Contribution:	Per Funding Approval/Grant Agreement	\$_____
	Actual Total Match	\$_____
G. Program Income Generated: (see line C17)	Amount of Program Income	\$_____
	Source of Program Income?	

Disposition of Program Income?

H. Document here any unpaid costs/unsettled third-party claims noted at D2. Describe circumstances and dollar amounts involved:

I. Person who can best answer questions about this report (preparer):

Name: _____ Telephone: _____

Address: _____ City: _____

State: _____ Zip Code: _____

J. Basis of Close-out (to be completed by State)

☐ Regular Close-out: All conditions of the grant have been met.

☐ Administrative Close-out: All conditions have been met except for the following audit(s):

(Any costs disallowed by audit(s) of these funds shall be returned to the State, if sustained by DED.)

K. State Execution:

This Certificate of Completion is hereby approved on conditions stated in J. above. Unused committed contract funds have been deobligated in the amount of \$ _____ on _____, Amendment No. _____.

Department of Economic Development
CDBG Program

By: _____

Date: _____

INSTRUCTIONS FOR COMPLETING DISCLOSURE REPORT

All applicants for CDBG funding must complete and submit, with their applications, Part I and II of the Disclosure Report. At the completion of Part II of the report, some applicants will find that they must complete Parts III, IV, V, and VI of the Report.

Part I requires the applicant's name, address, phone, and Federal Identification number; indication as to whether this is an initial report or an update (all applicants will check the initial report box); the fiscal year CDBG funds subject to the disclosure; check as to whether the disclosure is related to a non-competitive application; the amount of CDBG funds being requested; the amount of any CDBG program income that will be used with the CDBG funding, if any; and the total amount (funding requested and program income).

Part II asks two questions. If the answer to both questions is "no," the applicant must complete the certification at the end of Part II, but is not required to complete the remainder of the report. If the answer to either question is "yes," then the applicant must complete the remainder of the report.

Part III requires information on any other Federal, State, and/or local assistance that is to be used in conjunction with the CDBG project (See Attachment A).

Part IV requires the identification of interested parties. Interested parties are persons and entities with a pecuniary interest in the project. If any **entity** is being disclosed, the disclosure in Part IV must include an identification of each principal of the entity. All consultants, developers, or contractors involved in the application for CDBG assistance, or in the planning, development, or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds \$50,000 or 10 percent of the CDBG assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which a person or entity has an equity interest in the project; shares in any profit, resale, or any distribution of surplus cash or other assets of the project; or receives compensation for any goods or services provided in connection with the project. (Local CDBG administrative staff and recipients of housing rehab assistance are not considered interested parties.)

It is realized that at the time of application, applicants may not be aware of all interested parties since contracts and agreements for goods and services are not generally awarded until after notice of grant award. Subsequent to grant award, as projects are being implemented, funds will be committed to interested parties which will necessitate the submission of an updated Disclosure Report. However, if an applicant for CDBG funds identifies, under Part III of the Disclosure Report, other governmental assistance that is to be used in conjunction with projects funded with CDBG funds, and, if these other funds have been committed to interested parties, then these interested parties must be identified in Part IV of the initial report.

Part V requires applicants to identify the sources and use of all funds to be used in conjunction with CDBG funded project. The sources and uses must include all the other assistance identified in Part III, as well as the CDBG funds identified in Part I, items 10 and 11.

Part VI requires the certification of the Chief Elected Official.

ATTACHMENT A

This attachment contains a list of all the HUD programs that are subject to the disclosure requirements of 24 CFR Part 12 Subpart C. All applicants for CDBG assistance must review this list to determine if they are receiving, or expect to receive, assistance from other covered programs besides CDBG. Applicants must consider HUD funds that are received either directly from HUD or through the State. The State administered CDBG Program is listed under 3(e).

The applicant uses the total amount of funds received from all the sources to answer the second question of Part II of the Disclosure Report.

1. Section 312 Rehabilitation Loans under 24 CFR Part 510, except loans for single family properties.
2. Home Investment Partnership Act Funds Under 24 CFR Part 92.

(Excludes formula distributions to States, units of general local government, or consortium of units of general local government under Subpart D and G, within-year reallocations under Subpart D, and the HUD-administered Small Cities program under Subpart F.)
3. Applications for grant amounts for a specific project or activity under Title I of the Housing and Community Development Act of 1974 made to:
 - a. HUD, for a Special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989, for technical assistance, the Work Study program, or Historically Black Colleges;
 - b. HUD, for a loan guarantee under 24 CFR Part 470, Subpart M;
 - c. HUD, for a grant to an Indian tribe under Title I of the Housing and Community Development Act of 1974;
 - d. HUD, for a grant under the HUD-administered Small Cities program under CFR Part 570, Subpart F; and
 - e. A State or unit of general local government under 24 CFR Part 570.
4. Applicants for grant amounts for a specific project or activity under the Emergency Shelter Grant program under 24 CFR Part 576 made to a State or to a unit of general local government, including a Territory.

(Excludes formula distributions to States and units of general local government (including Territories); reallocations to States, units of general local government (including Territories), and non-profit organizations; and applications to an entity other than HUD or a State or unit of general local government.)
5. Transitional Housing under 24 CFR Part 577.
6. Permanent Housing for Handicapped Homeless Persons under 24 CFR Part 578.
7. Section 8 Housing Assistance Payments (only project-based housing under the Existing Housing and Moderate Rehabilitation programs under 24 CFR Part 882, including the Moderate Rehabilitation program for Single Room Occupancy Dwellings for the Homeless under Subpart H).
8. Section 8 Housing Assistance Payments for Housing the Elderly or Handicapped under 24 CFR Part 885.

9. Loans for Housing for the Elderly or Handicapped under Section 202 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and Community Development Act of 1987, and Seed Money Loans under Section 106(b) of the Housing and Urban Development Act of 1968).
10. Section 8 Housing Assistance Payments, Special Allocations, Assistance under 24 CFR Part 886.
11. Flexible Subsidy under 24 CFR Part 219, both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C.
12. Low-Rent Housing Opportunities under 24 CFR Part 904.
13. Indian Housing under 24 CFR Part 905.
14. Public Housing Development under 24 CFR Part 941.
15. Comprehensive Improvement Assistance under 24 CFR Part 968.
16. Resident Management under 24 CFR Part 964, Subpart C.
17. Neighborhood Development Demonstration under Section 123 of the Housing and Urban-Rural Recovery Act of 1983.
18. Nehemiah Grants under 24 CFR Part 280.
19. Research and Technology Grants under Title V of the Housing and Urban Development Act of 1970.
20. Congregate Services under the Congregate Housing Services Act of 1978.
21. Counseling under Section 106 of the Housing and Urban Development Act of 1968.
22. Fair Housing Initiative under 24 CFR Part 125.
23. Public Housing Drug Elimination Grants under Section 5129 of the Anti-Drug Abuse Act of 1988.
24. Fair Housing Assistance under 24 CFR Part 111.
25. Public Housing Early Childhood Development Grants under Section 222 of the Housing and Urban-Rural Recovery Act of 1983.
26. Mortgage Insurance under 24 CFR Subtitle B, Chapter II (only multifamily and non-residential).
27. Supplemental Assistance for Facilities to Assist the Homeless under 24 CFR Part 579.
28. Shelter Plus Care Assistance under Section 837 of the Cranston-Gonzales National Affordable Housing Act.
29. Planning and Implementation Grants for HOPE and Public and Indian Housing Homeownership under Title IV, Subtitle A, of the Cranston-Gonzales National Affordable Housing Act.
30. Planning and Implementation Grants for HOPE for Homeownership of Multifamily Units under Title IV, Subtitle B, of the Cranston-Gonzales National Affordable Housing Act.
31. HOPE for Elderly Independence Demonstration under Section 803 of the Cranston-Gonzales National Affordable Housing Act.

APPLICANT DISCLOSURE REPORT (PAGE 1 OF 3)

PART I – APPLICANT/GRANTEE INFORMATION	
1.	APPLICANT/GRANTEE NAME:
2.	ADDRESS:
3.	CITY/STATE/ZIP:
4.	FEDERAL EMPLOYEE IDENTIFICATION NUMBER:
5.	PHONE:
6.	INDICATE WHETHER THIS IS AN: <input type="checkbox"/> INITIAL REPORT <input type="checkbox"/> UPDATED REPORT
7.	PROJECT ASSISTED/TO BE ASSISTED – FISCAL YEAR:
8.	TYPE OF PROJECT:
9.	<input type="checkbox"/> COMPETITIVE GRANT <input type="checkbox"/> NON-COMPETITIVE GRANT/LOAN
10.	AMOUNT REQUESTED/RECEIVED:
11.	PROGRAM INCOME TO BE USED WITH ITEM 10 ABOVE:
12.	TOTAL OF ITEMS 10 AND 11:

PART II – THRESHOLD DETERMINATION	
1.	IS THE AMOUNT LISTED IN ITEM 12 ABOVE MORE THAN \$200,000? <input type="checkbox"/> YES <input type="checkbox"/> NO
2.	HAVE YOU RECEIVED OR APPLIED FOR OTHER HUD ASSISTANCE (THROUGH PROGRAMS LISTED IN ATTACHMENT A OF THE INSTRUCTIONS) WHICH, WHEN ADDED TO ITEM 12 (PART 1), IS MORE THAN \$200,000? <input type="checkbox"/> YES <input type="checkbox"/> NO
<p>IF THE ANSWER TO EITHER 1 OR 2 OF PART II IS “YES,” THEN THE REMAINDER OF THIS REPORT MUST BE COMPLETED.</p> <p>IF THE ANSWER TO BOTH 1 AND 2 OF PART II IS “NO,” THEN THE REMAINDER OF THIS REPORT IS NOT REQUIRED TO BE COMPLETED, BUT THE FOLLOWING CERTIFICATION MUST BE EXECUTED.</p> <p>I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT.</p>	
TYPED NAME (CHIEF ELECTED OFFICIAL):	
SIGNATURE, CHIEF ELECTED OFFICIAL:	DATE:

APPLICANT DISCLOSURE REPORT (PAGE 2 OF 3)

PART III – OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR			
PROVIDE THE REQUESTED GOVERNMENT ASSISTANCE, EXISTING OR APPLIED FOR, THAT WILL BE USED IN CONJUNCTION WITH THE CDBG FUNDING (INCLUDING THOSE LISTED IN ATTACHMENT A).			
NAME AND ADDRESS OF AGENCY PROVIDING OR TO PROVIDE ASSISTANCE	PROGRAM	TYPE OF ASSISTANCE	AMOUNT REQUESTED OR PROVIDED

PART IV – INTERESTED PARTIES			
ALPHABETICAL LIST OF ALL PERSONS WITH A REPORTABLE FINANCIAL INTEREST IN THE PROJECT	SOCIAL SECURITY NUMBER OR EMPLOYER ID NUMBER	TYPE OF PARTICIPATION IN THE PROJECT	FINANCIAL INTEREST IN PROJECT DOLLARS AND PERCENT

APPLICANT DISCLOSURE REPORT (PAGE 3 OF 3)

PART V – EXPECTED SOURCES AND USES OF FUNDS

IDENTIFY THE SOURCES AND USES OF ALL ASSISTANCE, INCLUDING CDBG, THAT HAVE BEEN OR MAY BE USED FOR THIS PROJECT.

SOURCE	USE

PART VI - CERTIFICATION

I HEREBY CERTIFY THAT THE INFORMATION PROVIDED IN THIS DISCLOSURE IS TRUE AND CORRECT, AND I AM AWARE THAT ANY FALSE INFORMATION OR LACK OF INFORMATION KNOWINGLY MADE OR OMITTED MAY SUBJECT ME TO CIVIL OR CRIMINAL PENALTIES UNDER SECTION 1001 OF TITLE 18 OF THE UNITED STATES CODE. IN ADDITION, I AM AWARE THAT IF I KNOWINGLY AND MATERIALLY VIOLATE ANY REQUIRED DISCLOSURE OF INFORMATION, INCLUDING INTENTIONAL NONDISCLOSURE, I AM SUBJECT TO A CIVIL PENALTY NOT TO EXCEED \$10,000 FOR EACH VIOLATION.

TYPED NAME (CHIEF ELECTED OFFICIAL):

SIGNATURE:

DATE:

ELIGIBLE ACTIVITIES

1. Property Acquisition
2. Property Disposition
3. Property Clearance
4. Architectural Barrier Removal
5. Senior Center
6. Community Facilities
7. Centers for the Handicapped
8. Historic Properties
9. Water Treatment
10. Sanitary Sewer Collection
11. Storm Sewers
12. Flood and Drainage Facilities
13. Streets (or Roads)
14. Street Accessories
15. Parking Facilities
16. Bridges
17. Sidewalks
18. Pedestrian Malls
19. Recycling or Conversion Facilities
20. Parks and Recreation Facilities
21. Fire Protection/Facility Equipment
22. Solid Waste Disposal Facilities
23. Other Utilities
24. Public Service/Supportive Services
25. Rehabilitation of Private Residential Properties
26. Rehabilitation of Public Residential Properties
27. Payments for Loss of Rental Income
28. Relocation
29. Code Enforcement
30. Energy Use Strategy
31. Non-Federal Share Payment
32. Interim Assistance
33. Planning
34. Commercial or Industrial Facilities
35. Administration
36. Engineering/Design
37. Housing Rehab Inspection
38. Engineering/Construction Inspection
40. Audit
41. Port Facility
42. Airports
43. Natural Gas Lines
44. Electrical Distribution Lines
45. Rail Spurs
46. Security Lighting
47. Other Professional Services
48. Security Fencing
49. Site Preparation
50. Purchase Land/Building
51. Facility Construction Renovation
52. Machinery/Equipment
53. Working Capital
54. Sewage Treatment
55. LDC New Housing Construction
56. Legal
57. 911 Emergency Systems
58. HOME Program Rental Rehabilitation
59. HOME Program Owner Rehabilitation
60. Homeowners Assistance
61. Lead-Based Paint Evaluation
62. Asbestos Removal
63. Job Training*
64. Home-Ownership Counseling
65. Substantial Reconstruction of private residential properties
66. Water Distribution
67. Lead Reduction
68. Asbestos Inspection

*Job training activities must be: 1) approved by Job Development and Training or the Private Industry Council, and 2) exist as an element of a welfare to work initiative as it relates to an ED project.

****CLOSE-OUT HELPFUL HINTS****

- ❖ There is no such thing as an interim close-out with CDBG.
- ❖ All numbers and percentages reported for beneficiaries should add up, when appropriate.
- ❖ All dollar values reported at close-out should add up to reflect expenditures or returned funds.
- ❖ Complete the Disclosure Report in full and submit with the close-out packet.
- ❖ Include a copy of the engineer's certification of work completed with the close-out packet.
- ❖ Respond to and resolve all comments made at close-out public hearing.
- ❖ LMI Totals are CUMULATIVE.